

UNITED  
SECURITIES AND EXC  
Washington,



02053223

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

15 10-8-02

OMB APPROVAL
OMB Number: 3235-0123
Expires: September 30, 1998
Estimated average burden hours per response . . . 12.00

SEC FILE NUMBER

8-53196

**FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 2, 2001 AND ENDING June 1, 2002  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Deloitte & Touche Corporate Finance LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

600 Renaissance Center, Suite 900

(No. and Street)

Detroit

MI

48243

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Patrick T. Allen

(313) 396-3070

(Area Code — Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

William I. Minoletti & Co., P.C.

(Name — if individual, state last, first, middle name)

30435 Groesbeck Highway

Roseville

MI

48066

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

PROCESSED

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THOMSON  
FINANCIAL

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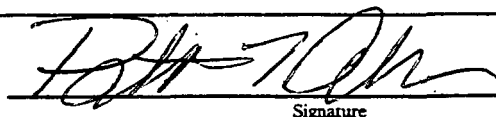
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

15 10-8-02

## OATH OR AFFIRMATION

I, Patrick T. Allen, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Deloitte & Touche Corporate Finance LLC, as of June 1, ~~19~~ 2002, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

  
Signature

Chief Financial Officer  
Title

  
Notary Public

PEGGY JEAN CARLIN  
NOTARY PUBLIC WAYNE CO., MI  
MY COMMISSION EXPIRES Aug 22, 2008

This report\*\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☒ (o) Independent Auditor's Report on Internal Accounting Control.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**WILLIAM I. MINOLETTI & Co., P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

UPTON PROFESSIONAL BUILDING

30435 GROESBECK HIGHWAY

ROSEVILLE, MICHIGAN 48066

WILLIAM I. MINOLETTI, CPA  
LOUIS J. CARNAGHI, CPA

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FAX (586) 771-8970  
E-MAIL: minoletti@ameritech.net

**INDEPENDENT AUDITOR'S REPORT**

To The Member  
Deloitte & Touche Corporate Finance LLC

We have audited the accompanying balance sheet of Deloitte & Touche Corporate Finance LLC as of June 1, 2002 and the related statements of member's equity, income, and cash flows for the period January 2, 2001 (inception) to June 1, 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Deloitte & Touche Corporate Finance LLC as of June 1, 2002 and the results of its operations and its cash flows for the period January 2, 2001 (inception) to June 1, 2002 in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supporting schedules on pages 9 to 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*William I. Minoletti & Co. P.C.*

July 23, 2002

**DELOITTE & TOUCHE CORPORATE FINANCE LLC**  
**BALANCE SHEET**  
**June 1, 2002**

**ASSETS**

	<u>Amount</u>
Cash	\$3,268,151
Accounts receivable, advisory services	763,728
Accounts receivable – related entity (Note 2)	<u>322,309</u>
	<u>\$4,354,188</u>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities:	
Accrued expenses	\$ 50,000
Members equity	<u>4,304,188</u>
	<u>\$4,354,188</u>

See accompanying notes.

**DELOITTE & TOUCHE CORPORATE FINANCE LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 1, 2002**

**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Deloitte & Touche Corporate Finance LLC, a securities broker-dealer providing corporate finance advisory services to Fortune 1000 companies and large middle-market companies, both publicly and privately held, was organized as a limited liability company by Deloitte & Touche Corporate Finance Holding LLC (sole member and parent company). The Company received its articles of organization from the State of Delaware in January, 2001 and registered as a broker-dealer with the National Association of Securities Dealers in August, 2001.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Federal Income Taxes

For federal income tax purposes both the Company and its parent are classified as disregarded entities. As such, their income is taxed to the members on their respective returns.

**Note 2 – TRANSACTIONS WITH RELATED ENTITY**

The Company and D&T LLP, a related entity, operate under a service and expense agreement whereby D&T LLP provides employee and administrative services including but not limited to expenses such as all company personnel, office space, including all utilities and telephone services, and all general and administrative services in connection with the Company's business. The charges for these services is \$500,000 per month. For the period ended June 1, 2002 the services and expenses charged to the Company amounted to \$4,000,000. The Company is responsible for its directly-related expenses including, but not limited to, audit and accounting fees and licensing and registration fees.

Also at June 1, 2002, there is a net receivable due from D&T LLP in the amount of \$322,309 for revenue received on behalf of the Company.

**DELOITTE & TOUCHE CORPORATE FINANCE LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 1, 2002**  
**(Continued)**

**Note 3 – NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1). Based on the provisions of this rule, the Company must maintain net capital equivalent to the greater of \$5,000 or  $1/8^{\text{th}}$  of aggregate indebtedness, as defined.

At June 1, 2002, the Company's net capital was \$3,218,151 and its required net capital was \$6,250. The ratio of aggregate indebtedness to net capital (which may not exceed 8 to 1) was .016 to 1.